

February 26, 2016



U.S. Department
of Transportation

East Building, PHH – 30
1200 New Jersey Avenue, Southeast
Washington, D.C. 20590

**Pipeline and Hazardous
Materials Safety Administration**

DOT-SP 16432
(FIRST REVISION)

EXPIRATION DATE: July 31, 2017

(FOR RENEWAL, SEE 49 CFR § 107.109)

1. GRANTEE: Panasonic Corporation of North America
Newark, NJ
2. PURPOSE AND LIMITATIONS:
 - a. This special permit authorizes the manufacture, mark, sale and use of UN specification packagings for the transportation in commerce of defective small lithium ion batteries that originally met the requirements under 49 CFR 173.185(c). This special permit provides no relief from the Hazardous Materials Regulations (HMR) other than as specifically stated herein. The most recent revision supersedes all previous revisions.
 - b. The safety analyses performed in development of this special permit only considered the hazards and risks associated with transportation in commerce. The safety analyses did not consider the hazards and risks associated with consumer use, use as a component of a transport vehicle or other device, or other uses not associated with transportation in commerce.
3. REGULATORY SYSTEM AFFECTED: 49 CFR Parts 106, 107 and 171-180.
4. REGULATIONS FROM WHICH EXEMPTED: 49 CFR Subparts C through H of Part 172 in that shipping papers, marking, labeling, emergency response information, and training are required, except as specified herein.

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5. BASIS: This special permit is based on the application of Panasonic Corporation of North America dated March 23, 2015 and additional information dated April 1, 2015, and February 9, 2016, submitted in accordance with § 107.105 and the public proceeding thereon.
6. HAZARDOUS MATERIALS (49 CFR § 172.101):

Hazardous Material Description			
Proper Shipping Name	Hazard Class/ Division	Identification Number	Packing Group
Lithium ion batteries	9	UN3480	N/A

7. SAFETY CONTROL MEASURES:

a. OPERATIONAL CONTROLS -

(1) Only lithium ion batteries with a watt-hour rating not exceeding 100 Wh may be shipped under the terms of this special permit.

(2) Batteries must have originally met the conditions in § 173.185(c) prior to becoming defective.

(3) Shipments are only authorized in support of Panasonic Corporation of North America's voluntary recall of the batteries as specified in the application dated March 23, 2015 and on file with the Office of Hazardous Materials Safety Approvals and Permits Division.

(4) Shipments of recalled lithium ion batteries include, but not limited to recalled batteries from businesses to Panasonic Corporation of North America's designated consolidation facilities.

(5) Each shipment offered under the terms of this special permit must be accompanied by a document that includes the following:

(i) An indication that each overpack contains a lithium ion battery;

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(ii) An indication that each overpack is to be handled with care and that a flammable hazard exists if a package within the overpack is damaged;

(iii) An indication that special procedures must be followed in the event a package or overpack is damaged; and

(iv) A telephone number for additional information.

b. PACKAGING -

(1) INNER PACKAGING - An anti-static plastic bag containing not more than one (1) battery.

(2) OUTER PACKAGING - A UN 1A2 steel drum meeting the Packing Group I performance criteria containing not more than one (1) inner packaging with vermiculite completely surrounding the inner packaging to prevent movement during transportation.

(3) OVERPACK - A fiberboard box containing not more than one (1) outer packaging.

(4) Not more than one battery may be placed in a single overpack.

c. MARKING: Each package and overpack covered under the terms of this special permit must be durably and legibly marked and displayed on a background of contrasting color with the following:

(1) "DOT-SP 16432";

(2) The words "Defective lithium ion battery";

(3) The words: "FORBIDDEN FOR TRANSPORT BY AIRCRAFT - GROUND AND VESSEL SHIPMENT ONLY";

(4) An indication that the package and overpack are to be handled with care and that a flammable hazard exists if a package is damaged;

(5) An indication that special procedures must be followed in the event a package or overpack is damaged;

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and

(6) A telephone number for additional information.

8. SPECIAL PROVISIONS:

a. In accordance with the provisions of Paragraph (b) of § 173.22a, persons may use the packaging authorized by this special permit for the transportation of the hazardous materials specified in paragraph 6, only in conformance with the terms of this special permit.

b. A person who is not a holder of this special permit, but receives a package covered by this special permit, may reoffer it for transportation provided no modification or change is made to the package and it is offered for transportation in conformance with this special permit and the HMR.

c. A current copy of this special permit must be maintained at each facility where the package is offered or reoffered for transportation.

d. Each packaging manufactured under the authority of this special permit must be either (1) marked with the name of the manufacturer and location (city and state) of the facility at which it is manufactured or (2) marked with a registration symbol designated by the Office of Hazardous Materials Special Permits and Approvals for a specific manufacturing facility.

e. A current copy of this special permit must be maintained at each facility where the packaging is manufactured under this special permit. It must be made available to a DOT representative upon request.

f. Detailed closure, packing, and shipping instructions must be provided to individuals preparing shipments under the terms of the special permit.

9. MODES OF TRANSPORTATION AUTHORIZED: Motor vehicle and rail freight.

10. MODAL REQUIREMENTS: A current copy of this special permit must be carried aboard each motor vehicle used to transport packages covered by this special permit.

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11. COMPLIANCE: Failure by a person to comply with any of the following may result in suspension or revocation of this special permit and penalties prescribed by the Federal hazardous materials transportation law, 49 U.S.C. 5101 et seq:

- o All terms and conditions prescribed in this special permit and the Hazardous Materials Regulations, 49 CFR Parts 171-180.
- o Persons operating under the terms of this special permit must comply with the security plan requirement in Subpart I of Part 172 of the HMR, when applicable.
- o Registration required by § 107.601 et seq., when applicable.

Each "Hazmat employee", as defined in § 171.8, who performs a function subject to this special permit must receive training on the requirements and conditions of this special permit in addition to the training required by §§ 172.700 through 172.704.

No person may use or apply this special permit, including display of its number, when this special permit has expired or is otherwise no longer in effect.

Under Title VII of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)—"The Hazardous Materials Safety and Security Reauthorization Act of 2005" (Pub. L. 109-59), 119 Stat. 1144 (August 10, 2005), amended the Federal hazardous materials transportation law by changing the term "exemption" to "special permit" and authorizes a special permit to be granted up to two years for new special permits and up to four years for renewals.

12. REPORTING REQUIREMENTS: Shipments or operations conducted under this special permit are subject to the Hazardous Materials Incident Reporting requirements specified in 49 CFR §§ 171.15 Immediate notice of certain hazardous materials incidents, and 171.16 Detailed hazardous materials incident reports. In addition, the grantee(s) of this

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special permit must notify the Associate Administrator for Hazardous Materials Safety, in writing, of any incident involving a package, shipment or operation conducted under terms of this special permit.

Issued in Washington, D.C.:

A handwritten signature in blue ink, appearing to read "Dr. Magdy El-Sibaie".

for Dr. Magdy El-Sibaie
Associate Administrator for Hazardous Materials Safety

Address all inquiries to: Associate Administrator for Hazardous Materials Safety, Pipeline and Hazardous Material Safety Administration, U.S. Department of Transportation, East Building PHH-30, 1200 New Jersey Avenue, Southeast, Washington, D.C. 20590.

Copies of this special permit may be obtained by accessing the Hazardous Materials Safety Homepage at http://hazmat.dot.gov/sp_app/special_permits/spec_perm_index.htm Photo reproductions and legible reductions of this special permit are permitted. Any alteration of this special permit is prohibited.

PO: HWANG